



China Taifeng Beddings Holdings Limited 中國泰豐床品控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock code 股份代號: 873

Interim Report
2014
中期報告



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive:

Mr. Liu Qingping (*Chairman*)
Mr. Li Dengxiang
Ms. Qi Tongli
Mr. Zou Shengzhong

Independent and non-executive:

Mr. Chan Kin Sang
Mr. Li Yuchun
Mr. Dai Shunlin

COMPANY SECRETARY

Mr. Pang Wai Hong

AUDIT COMMITTEE

Mr. Li Yuchun (*Chairman*)
Mr. Chan Kin Sang
Mr. Dai Shunlin

REMUNERATION COMMITTEE

Mr. Dai Shunlin (*Chairman*)
Mr. Li Yuchun
Mr. Liu Qingping

NOMINATION COMMITTEE

Mr. Chan Kin Sang (*Chairman*)
Mr. Dai Shunlin
Mr. Liu Qingping

AUTHORISED REPRESENTATIVES

Mr. Pang Wai Hong
Ms. Qi Tongli

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

公司資料

董事會

執行董事：

劉慶平先生 (*主席*)
李登祥先生
冼同麗女士
鄒生忠先生

獨立非執行董事：

陳健生先生
李玉春先生
戴順林先生

公司秘書

彭偉康先生

審核委員會

李玉春先生 (*主席*)
陳健生先生
戴順林先生

薪酬委員會

戴順林先生 (*主席*)
李玉春先生
劉慶平先生

提名委員會

陳健生先生 (*主席*)
戴順林先生
劉慶平先生

授權代表

彭偉康先生
冼同麗女士

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS

In the People's Republic of China:
Economic and High-technology Development
Zone, Laiwu City, Shandong Province
People's Republic of China

In Hong Kong:
Room 911, 9/F., Block A, Hunghom
Commercial Centre, 39 Ma Tau Wai Road,
Hung Hom, Kowloon, Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong
Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell
Centre, 183 Queen's Road East, Wanchai,
Hong Kong

PRINCIPAL BANKERS

In the People's Republic of China:
Bank of China, Laiwu Branch
Industrial and Commercial Bank of China,
Laiwu Branch
Laishang Bank

In Hong Kong:
Bank of Communication Co., Limited,
Hong Kong Branch

STOCK CODE

0873

COMPANY WEBSITE ADDRESS

<http://www.taifeng.cc>

INVESTOR RELATIONS CONTACT

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主要營業地點

於中華人民共和國：
中華人民共和國
山東省萊蕪市
高新科技開發區

於香港：
香港九龍紅磡
馬頭圍道39號紅磡商業中心
A座9樓911室

香港股份過戶登記分處

香港中央證券登記有限公司

香港
灣仔皇后大道東183號
合和中心17樓1712-1716室

主要往來銀行

於中華人民共和國：
中國銀行萊蕪分行
中國工商銀行萊蕪分行

萊商銀行

於香港：
交通銀行股份有限公司
香港分行

股份代號

0873

公司網站

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投資者關係

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CORPORATE PROFILE

China Taifeng Beddings Holdings Limited (the “Company” or “Taifeng”) is a leading manufacturer and retailer of high-end home textiles and manufacturer of quality yarns in China. It is principally engaged in the manufacturing of home textiles with research and development (“R&D”), design, manufacturing and retail capabilities. It offers 1,700 varieties of bedding products including bed covers, pillows, pillow cases, quilts and quilt covers. Its cotton yarns are mainly comprised of fine-count and high-count yarns with over 180 varieties.

Focusing its business on home textiles, the Group endeavours to create the fashion of decorative home textiles for better lifestyle. It enjoys distinct competitiveness and brand position supported by its well-defined brand image, superior product design, comprehensive marketing planning and extensive sales channels, which allow it to become a major brand in the home textile industry and a trendsetter of quality and stylish home textiles. The Group operates three brands, namely “Taifeng”, “Kangshow” and “I & Co”, which cater for difference target markets, including middle- and high-end markets, and consumption preference. The Group strives to pursue innovation in R&D and design and to offer new patterns and fabrics, production techniques and accessories, so as to offer consumers unique home and living culture and style. It is also dedicated to sustain the growth in sales and operating results by improving its marketing model and expanding the marketing network, which currently covers all major provinces and cities across China, and establishing brand advantages. As at 30 June, 2014, the Group had 267 dealers and 1,272 retail stores and concessions either directly operated or operated by distributors.

企業簡介

中國泰豐床品控股有限公司（「本公司」或「泰豐」）是一家專業生產經營家用紡織品的企業，現已發展成為集研發、設計、生產、零售為一體，中國極具競爭優勢的高端品牌家紡生產零售商及優質紗線製造商。旗下床品種類1,700款，包括床單、枕頭、枕套、被褥及被套等系列產品，棉紗以細支紗及高支紗為主，種類超過180款。

本集團專注家紡行業，堅持引領家居潮流、創造美好生活的理念，在品牌形象、產品設計、營銷策劃、終端渠道等方面有著卓越表現，形成了獨有的競爭力和品牌定位，成為家紡行業領導品牌及時尚品質家紡倡導者。旗下擁有泰豐、泰豐康秀及愛迪卡三大主打品牌，引領不同目標市場和消費理念，全面滿足中高端市場需求；堅持走研發與設計創新道路，持續推動花型設計、面料研發、生產工藝、配套產品等方面的創新能力，為消費者提供了獨特的家居文化和潮流；追求卓越的營銷模式，營銷網點遍佈全國各省市地區，打造品牌市場優勢，實現銷售經營業績持續增長。於二零一四年六月三十日，本集團在全國共擁有代理商267家以及1,272間直營及由分銷商經營的專賣店及專櫃。

FINANCIAL HIGHLIGHTS

財務摘要

Results

業績

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收益	665,455	1,251,408
Gross profits	毛利	67,572	448,363
Earnings before interest and tax ("EBIT")	除利息及稅前盈利	41,230	377,909
Profit attributable to owners of the Company	本公司擁有人應佔溢利	39,709	257,070
Earnings per share – Basic (RMB)	每股盈利—基本(人民幣元)	0.040	0.257

Assets and Liabilities

資產及負債

		Period ended	Year ended
		30 June	31 December
		2014	2013
		截至	截至
		二零一四年	二零一三年
		六月三十日	十二月三十一日
		止期間	止年度
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total assets	資產總值	3,662,960	3,545,863
Total debt	債項總額	515,463	765,300
Total liabilities	負債總額	1,258,894	1,221,506
Equity attributable to:	下列項目應佔權益：		
Owners of the Company	本公司擁有人	2,364,066	2,324,357

Financial Ratios

財務比率

		For the six months ended 30 June, 截至六月三十日止六個月	
		2014 二零一四年	2013 二零一三年
Gross profits margins – overall	毛利率—整體	10.2%	35.8%
Gross profits margins – cotton yarn	毛利率—棉紗	1.8%	14.9%
Gross profits margins – bedding products	毛利率—床品	19.7%	51.1%
EBIT margin	除利息及稅前利率	6.2%	30.2%
Net profit margin	純利率	6.0%	20.5%
Annualised ROE ⁽¹⁾	年化股東權益回報率 ⁽¹⁾	3.3%	22.5%
Annualised ROA ⁽²⁾	年化資產回報率 ⁽²⁾	2.2%	15.0%

⁽¹⁾ Annualised ROE is calculated based on profit after tax divided by total equity ⁽¹⁾ 年化股東權益回報率根據除稅後溢利除以權益總額計算

⁽²⁾ Annualised ROA is calculated based on profit after tax divided by total assets ⁽²⁾ 年化資產回報率根據除稅後溢利除以總資產計算

		For the six months ended 30 June, 2014 截至 二零一四年 六月三十日 止六個月	For the year ended 31 December, 2013 截至 二零一三年 十二月三十一日 止年度
Trade receivables turnover (days) ⁽¹⁾	應收賬款週轉日(日) ⁽¹⁾	161	79
Trade payables turnover (days) ⁽²⁾	應付賬款週轉日(日) ⁽²⁾	51	17
Inventory turnover (days) ⁽³⁾	存貨週轉日(日) ⁽³⁾	23	19
Current ratio (times)	流動比率(倍)	3.2	3.3
Gearing ratio ⁽⁴⁾	資本負債比率 ⁽⁴⁾	14.2%	21.6%
Debt-to-equity ⁽⁵⁾	債項對權益 ⁽⁵⁾	21.7%	32.9%

- (1) Trade receivables turnover is calculated based on the average of the beginning and ending balance of trade receivables for a given period, divided by revenue during the given period and multiplied by 181 days for a six-month period or by 365 days for a year.
- (1) 應收賬款週轉日按指定期間開始及結束之應收賬款結餘之平均值除該指定期間內之收益再乘以181日(六個月期間)或365日(一年)計算。
- (2) Trade payables turnover is calculated based on the average of the beginning and ending balance of trade payables for a given period divided by cost of sales during the given period and multiplied by 181 days for a six-month period or by 365 days for a year.
- (2) 應付賬款週轉日按指定期間開始及結束之應付賬款結餘之平均值除該指定期間內之銷售成本再乘以181日(六個月期間)或365日(一年)計算。
- (3) Inventory turnover is calculated based on the average of the beginning and ending balance of inventory, net of impairment, for a given period, divided by cost of sales during the given period and multiplied by 181 days for a six-month period or by 365 days for a year.
- (3) 存貨週轉日按指定期間開始及結束之存貨結餘(扣除減值)之平均值除該指定期間內之銷售成本再乘以181日(六個月期間)或365日(一年)計算。
- (4) Calculated as the total debts for the period, divided by total assets for the period and multiplied by 100%. Debts are defined to include current and non-current borrowings (not including obligation under finance lease).
- (4) 以期內債項總額除期內資產總值乘以100%計算。債項之定義包括流動及非流動借貸(不包括融資租賃承擔)。
- (5) Calculated as the total debts for the period, divided by the equity for the period and multiplied by 100%. Debts are defined to include current and non-current borrowings (not including obligation under finance lease). Equity is defined to include the non-controlling interests.
- (5) 以期內債項總額除期內權益乘以100%計算。債項之定義包括流動及非流動借貸(不包括融資租賃承擔)。權益之定義包括非控股權益。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Group reports the unaudited interim results for the six months ended 30 June, 2014.

本集團謹此呈報其截至二零一四年六月三十日止六個月之未經審核中期業績。

Market Review

There are unfavourable factors hindering the economic performance of the textile industry. International cotton prices have tumbled, thus further widening the gap between domestic and international cotton prices. Stock of the national cotton reserve is still characterised by its high prices and low quality, which make it difficult to satisfy the cotton needs of enterprises. The circulation of cotton in China is operated under various systems and this complicates the market development and, hence, deters enterprises from accepting new orders. On the other hand, textile enterprises are facing operating difficulties of increasing pressure on overall costs owing to the rising costs of major resources (such as labor and raw and auxiliary materials) and costs of financing, land acquisition and marketing and the greater input into environmental compliance. As international competition intensifies, countries enjoying cost advantages, such as Vietnam and Bangladesh, are gaining market share. From January to May, the proportion of China in the total textile and garment import of the United States, Europe and Japan recorded year-on-year decreases of 0.8, 0.7 and 4 percentage point(s), respectively. As for the home textile industry, the downward pressure on domestic sale was noticeable as the traditional sales channels are facing challenges, the correction and upgrade of the industry are expected to last a relatively long time and the real estate market remains sluggish.

市場回顧

當前紡織行業經濟運行正面臨一系列壓力因素。由於國際棉價快速下行，內外棉價差再度拉大；國儲棉價高質低問題依然突出，企業用棉需求難以得到有效滿足；國內棉花流通多體制並行，市場形勢十分複雜，影響企業接單意願。國內勞動用工、紡織原輔料等要素價格普遍上漲，融資、土地、營銷渠道等費用持續增加，生態環保投入負擔加大，紡織企業綜合成本壓力日益加重，企業生存發展問題更為突出。國際市場競爭加劇，越南、孟加拉等國家依托成本優勢，市場份額不斷上升。一至五月中國在美、歐、日紡織品服裝進口總額中所佔份額同比分別下降0.8、0.7、4個百分點。而從家紡行業來看，家紡傳統渠道面臨挑戰，產業結構的調整和升級在短時間內仍然難以得到明顯改善，房地產市場低迷等方面的綜合原因，也導致內銷增速下行壓力較大。

Business Review

During the period under review, the Group realised a total revenue of RMB665,455,000, representing a decrease of 53.2% as compared with the corresponding period last year. The Group's turnover represents the sales of cotton yarns and bedding products. For the six months ended 30 June, 2014, turnover of bedding products was RMB310,264,000, down by 57.2% as compared with the corresponding period last year. Turnover of cotton yarns decreased by 32.6% as compared with the corresponding period last year to RMB355,190,000. For the six months ended 30 June, 2014, overall gross profit margin of the Group's products dropped to 10.2% from 35.8% for the corresponding period last year.

Financial Review

Revenue

Revenue decreased by 46.8% to RMB665.45 million for the six months ended 30 June, 2014 from RMB1,251.0 million for the six months ended 30 June, 2013 as a result of the following:

- Revenue in the bedding products segment decreased by 57.2% to RMB310.3 million for the six months ended 30 June, 2014 from RMB724.2 million for the six months ended 30 June, 2013.
- Revenue in the cotton yarns segment dropped by 32.6% to RMB355.0 million for the six months ended 30 June, 2014 from RMB327.0 million for the six months ended 30 June, 2013.

業務回顧

於回顧期內，本集團總營業務收入為人民幣665,455,000元，較去年同期下降53.2%。本集團營業額包括棉紗和床品的銷售。截至二零一四年六月三十日止六個月，其中床品營業額為人民幣310,264,000元，較去年同期下降57.2%，棉紗營業額為人民幣355,190,000元，較去年同期下降32.6%。截至二零一四年六月三十日止六個月，本集團產品之整體毛利率由去年同期的35.8%下降到10.2%。

財務回顧

收益

收益由截至二零一三年六月三十日止六個月之人民幣1,251,000,000元減少46.8%至截至二零一四年六月三十日止六個月之人民幣665,450,000元，原因如下：

- 床品分部之收益由截至二零一三年六月三十日止六個月之人民幣724,200,000元減少57.2%至截至二零一四年六月三十日止六個月之人民幣310,300,000元。
- 棉紗分部之收益由截至二零一三年六月三十日止六個月之人民幣327,000,000元下跌32.6%至截至二零一四年六月三十日止六個月之人民幣355,000,000元。

The following table sets forth a breakdown of the revenue by products and their respective gross profit margins: 下表載列按產品劃分之收益及毛利率明細：

		For the six months ended 30 June, 截至六月三十日止六個月					
		2014 二零一四年			2013 二零一三年		
		Revenue		Gross profit margin	Revenue		Gross profit margin
		(RMB'000)	(% to total)	(%)	(RMB'000)	(% to total)	(%)
		收益 (人民幣 千元)	(佔總額 百分比)	毛利率 (%)	收益 (人民幣 千元)	(佔總額 百分比)	毛利率 (%)
Bedding Products	床品	310,264	53.4	19.7	724,248	57.9	51.1
Cotton Yarns	棉紗	355,190	46.6	1.8	527,160	42.1	14.9
Total	總計	665,455	100.0		1,251,408	100.0	

Gross profit and gross profit margin

Gross profit and gross profit margin were RMB67.5 million and 10.2% respectively for the six months ended 30 June, 2014.

The main reasons for the decreases in revenue and gross profit were:

- 1) Reasons for the decrease in sales revenue: Affected by the general market condition in China, orders for group purchases dropped drastically. As consumption power decreased, consumers turned rational in their spending. The property market remained sluggish and this resulted in a drop in beddings demand. To boost the demand for its textile products, the Group had to use various promotion methods such as cutting prices. Thus, the average selling prices of the bedding products decreased by 35% as compared with the corresponding period last year, while the average selling prices of cotton yarn products also dropped by 26% as compared with the corresponding period last year due to falling demand.
- 2) Reasons for the increase in costs: As the government was purchasing raw cotton, which is the Group's core production raw materials accounting for approximately two-third of its production cost, for the national reserve, domestic prices of raw cotton surpassed international prices. Due to limitation of the Company's quota, the use of imported cotton decreased drastically in the first half of the year. Labour cost rose constantly. Amount and turnover days of receivables increased.

毛利及毛利率

截至二零一四年六月三十日止六個月之毛利為人民幣67,500,000元，毛利率則為10.2%。

收入降低、毛利下降主要原因：

- 1) 銷售收入下降原因：受國內大環境之影響，團購訂單大幅降低；消費者趨於理性消費及購買力的下降；房地產市場持續低迷導致產品需求下降，本集團紡織產品需通過削價等速銷手段刺激需求，致使床品平均售價較去年同期下跌了35%，棉紗產品亦因為需求下降致使平均售價亦較去年同期下跌了26%。
- 2) 成本較高原因：原棉是本集團主要生產原材料，約佔生產成本2/3。受國家原棉收儲價影響，國內市場原棉價格比國際棉價高，本公司因受配額制約，上半年使用進口棉數量大幅度減少；勞動力成本持續上升；應收款加大而且應收款時間增長等導致。

Distribution and selling expenses

Distribution and selling expenses decreased by 75.3% to RMB14.6 million for the six months ended 30 June, 2014. The decrease was primarily due to the decrease in advertising and promotional expenses of approximately RMB26.0 million and the decrease in urban maintenance and construction levy and educational surcharge of approximately RMB13.0 million.

Working capital management

The following table sets forth selected operating efficiency ratios for the Group:

分銷及銷售開支

分銷及銷售開支減少75.3%至截至二零一四年六月三十日止六個月之人民幣14,600,000元。減少主要是由於廣告及宣傳開支減少了約人民幣26,000,000元及城市維護建設稅和教育費附加減了約人民幣13,000,000元所致。

營運資金管理

下表載列本集團之經選定經營效益比率：

		For the six months ended 30 June, 2014 截至 二零一四年 六月三十日 止六個月	For the year ended 31 December, 2013 截至 二零一三年 十二月三十一日 止年度
Trade receivables turnover (days) ⁽¹⁾	應收賬款週轉日(日) ⁽¹⁾	161	79
Trade payables turnover (days) ⁽²⁾	應付賬款週轉日(日) ⁽²⁾	51	17
Inventory turnover (days) ⁽³⁾	存貨週轉日(日) ⁽³⁾	23	19

Notes:

- (1) Trade receivables turnover is calculated based on the average of the beginning and ending balance of trade receivables for a given period, divided by revenue during the given period and multiplied by 181 days for a six-month period.
- (2) Trade payables turnover is calculated based on the average of the beginning and ending balance of trade payables for a given period divided by cost of sales during the given period and multiplied by 181 days for a six-month period.
- (3) Inventory turnover is calculated based on the average of the beginning and ending balance of inventory, net of impairment, for a given period, divided by cost of sales during the given period and multiplied by 181 days for a six-month period.

Average trade receivables turnover increased to 161 days in the six months ended 30 June, 2014 which was primarily due to the Group has granted longer credit periods to the customers.

Average trade payables turnover increased to 51 days in the six months ended 30 June, 2014 which was mainly attributable to longer credit periods granted to the Group.

附註：

- (1) 應收賬款週轉日按指定期間開始及結束之應收賬款結餘之平均值除該指定期間內之收益再乘以181日(六個月期間)計算。
- (2) 應付賬款週轉日按指定期間開始及結束之應付賬款結餘之平均值除該指定期間內之銷售成本再乘以181日(六個月期間)計算。
- (3) 存貨週轉日按指定期間開始及結束之存貨結餘(扣除減值)之平均值除該指定期間內之銷售成本再乘以181日(六個月期間)計算。

應收賬款平均週轉日於截至二零一四年六月三十日止六個月增加至161日，主要是由於本集團授予客戶較長信貸期所致。

應付賬款平均週轉日於截至二零一四年六月三十日止六個月增加至51日，主要是由於本集團獲授較長信貸期所致。

Liquidity and capital resources

The following table sets forth liquidity and capital adequacy ratios for the years:

流動資金及資本資源

下表載列以下年度之流動資金及資本充足比率：

		For the six months ended 30 June, 2014 截至 二零一四年 六月三十日 止六個月	For the year ended 31 December, 2013 截至 二零一三年 十二月三十一日 止年度
Gearing ⁽¹⁾	資本負債 ⁽¹⁾	14.2%	21.6%
Debt-to-equity ⁽²⁾	債項對權益 ⁽²⁾	21.7%	32.9%
Current ratio	流動比率	3.2 times 倍	3.3 times 倍

Notes:**附註：**

- (1) Calculated as the total debts for the period, divided by total assets for the period and multiplied by 100%. Debts are defined to include current and non-current borrowings.
- (2) Calculated as the total debts for the period, divided by the equity for the period and multiplied by 100%. Debts are defined to include current and non-current borrowings. Equity is defined to include the non-controlling interests.

- (1) 以期內債項總額除期內資產總值乘以100%計算。債項之定義包括流動及非流動借貸。
- (2) 以期內債項總額除期內權益乘以100%計算。債項之定義包括流動及非流動借貸。權益之定義包括非控股權益。

The gearing ratio and the debt-to-equity ratio decreased to 14.2% and 21.7%, respectively, for the six months ended 30 June, 2014. The decreases in the gearing ratio and debt-to-equity ratio were principally due to the decrease in bank borrowings.

資本負債比率及債項對權益比率於截至二零一四年六月三十日止六個月分別下跌至14.2%及21.7%。資本負債比率及債項對權益比率下跌主要是由於銀行借貸減少所致。

Contingent liabilities

The Group has no material contingent liabilities as at 30 June, 2014 (31 December, 2013: Nil).

Foreign currency exposure

The business operations of the Group's subsidiaries were conducted mainly in the PRC with revenues and expenses of the Groups subsidiaries denominated in RMB. Some of the Group's cash and bank deposits, including proceeds from the Group's initial public offering, were denominated in Hong Kong Dollars or US Dollars. Any significant exchange rate fluctuations of Hong Kong Dollars or US Dollars against each entity's respective functional currency may have a financial impact to the Group.

As at 30 June, 2014, the Directors of the Company considered the Group's foreign exchange risk to be insignificant. During the period under review, the Group did not use any financial instruments for hedging purposes.

Employees

As at 30 June, 2014, the Group had a workforce of approximately 5,152 employees (30 June, 2013: 5,283). Staff costs for the six months ended 30 June, 2014 (including Directors' remuneration in the form of salaries and other allowances) was approximately RMB37.5 million (six months ended 30 June, 2013: RMB66.0 million).

或然負債

於二零一四年六月三十日，本集團並無重大或然負債（二零一三年十二月三十一日：無）。

外幣風險

本集團之附屬公司主要於中國經營業務，其收益及開支均以人民幣計值。本集團若干現金及銀行存款（包括本集團首次公開發售所得款項）以港元或美元計值。倘港元或美元兌各實體各自功能貨幣之匯率出現任何重大波動，則可能會對本集團產生財務影響。

於二零一四年六月三十日，本公司董事認為，本集團面對之匯兌風險甚微。回顧期內，本集團並無使用任何金融工具作對沖用途。

僱員

於二零一四年六月三十日，本集團有約5,152名僱員（二零一三年六月三十日：5,283名）。截至二零一四年六月三十日止六個月之員工成本（包括董事薪酬（薪金及其他津貼））約為人民幣37,500,000元（截至二零一三年六月三十日止六個月：人民幣66,000,000元）。

The remuneration of the employees of the Group includes salaries, bonuses and other fringe benefits. The Group has different rates of remuneration for different employees to be determined based on their performance, experience, position and other factors in compliance with the relevant PRC laws and regulations.

Business Outlook and Strategies

Analysis of the prospects and our strategies

In response to the difficult operating environment and the market opportunities, the Group has the following initiatives: (1) as to product strategy, it will focus on the application of special fibres and the development of blended textile techniques so as to satisfy new market needs for unique and differentiated products; (2) as to brand promotion, shop image, stock management and display design of the end-market points-of-sale will be constantly revitalised and upgraded, and the marketing model that stand fast on the mutual benefits of both the Group and its partners will be upheld and refined in order to establish a more competitive marketing model with the aim of boosting the performance of these channels; and (3) Taifeng will push forward its brand building efforts on the internet and roll out exclusive online products so as to satisfy the demand of online shoppers. On the other hand, the logistic edge of the offline channels will also be mobilised and utilised to create new growth momentum.

本集團僱員薪酬包括薪金、花紅及其他額外福利。本集團對不同僱員訂有不同標準之薪酬，乃根據其表現、經驗、職位及其他因素，遵照相關之中國法律及法規釐定。

業務前景及策略

前景分析對策

面對產業環境的艱巨性以及市場機遇，本集團需做好如下對策：一是在產品策略上，著重推動特殊纖維應用以及材質混紡工藝的開發，突出產品特殊性和唯一性特質，避免市場同質化，滿足市場新的產品需求。二是在品牌升級上，繼續推進推動終端店面形象、貨品管理、店舖陳列等進行全面的更新與升級，堅持與合作商互利互惠的營銷模式，構建更具競爭力的營銷體系，以期渠道突飛猛進的增長。三是大力推進泰豐家紡在互聯網上的品牌建設，迎合網上消費者的需要，打造一系列線上專供產品。同時，將線下渠道充分調動起來，利用線下渠道的物流優勢，開闢新的增長點。

Product Development

As for products, the Group will focus on the research and development of new products mainly comprising functional components such as nano-selenium fibre, anti-bacterial fibre, imitation Cashmere and bamboo charcoal fibre products. To capitalise on the summer market, a wide range of products including bamboo fibre products, plant-based cooling mat, mint fibre summer blanket will be rolled out so as to satisfy consumers' demand. As for packaging design, the Group will develop and launch special product lines and packagings according to different distribution regions, channels and periods. For the high-end hotel market, it will continue to research and develop high-end fabrics for high-end hotels. In particular, several different fabrics will be produced for different hotel lines in order to meet market requirements. In respect of future products research and development and technology innovation, the Group will concentrate on broadening its home textile product mix by introducing new production techniques of yarns and fabrics to the design and development of home textile, stepping up technical upgrade, producing multi-component and different lines of fibre, advancing its spinning techniques and increasing technological and added values with the final goal of improving end-market sales with its research, development and product strengths.

產品建設

在產品方面，本集團著力研發了新產品，以功能性套件為主，比如納米硒纖維、抗菌纖維、仿羊絨纖維、竹炭纖維等。針對夏涼市場，新開發了竹賽斯纖維、植物涼席、薄荷纖維夏涼被等產品，滿足消費者需求。在包裝個性化方面，根據不同地區、不同渠道和不同時間段，本集團研發和生產了具有針對性的產品、包裝。在高端酒店領域，繼續研發適用高檔酒店的高端面料，針對不同酒店系統，生產不同面料以適用市場需求。在未來產品研發及技術創新方面，本集團著重豐富家紡產品類型，將紗線、面料新型生產技術導入家紡的設計與開發，大力實施技術改造，生產多組分、多品種纖維，提升紡紗技術，提高技術含量和附加值，通過研發優勢、產品優勢提升終端銷售能力。

Development of End-market Channels

With respect to the development of end-markets, the Group will strengthen its guidance and control on external home textile end-market channels while increasing the financial resources provided to self-operated point-of-sales as well as production design and development. It will attract and retain consumers by providing them with quality information and interactive experience, thereby capitalising the synergies between “consumption experience” and “cultural experience”. The investment in online shopping will also be enlarged so as to perfect our self-operated internet platform as well as the established ones on Tmall.com, JD.COM and Amazon.com. With such comprehensive home product system, effective and systematic operation support and excellent customer service, a sophisticated online home textile mall will be set up together with offline franchisees with a view to benefiting them while expanding the Group’s market share and enhancing customer loyalty. Looking forward, the Group targets at developing a ground-breaking marketing model that stands fast on the mutual benefits of both the Group and its partners, enhances the competitiveness of the Group’s marketing system, and better serves the distributors and franchisees with greater supports in terms of product research and development, auxiliary management, brand promotion and other aspects, in order to raise its single-store performance and sales. New marketing platforms, such as the internet, WeChat and mobile apps, will also be utilised so as to found a new and effective marketing tools that combines and nurtures both online and offline channels with a view to quickly fostering the member base of the franchisees.

終端渠道建設

在終端拓展方面，本集團加強了對家紡渠道終端的引導和控制，將更多的財力投入到家紡自營渠道和產品設計的建設上，注重『消費體驗與文化體驗』的雙效力量，通過優質內容與良好的互動體驗方式來吸引和留住用戶；加大了線上網購投入的力度，完善建立天貓、京東、亞馬遜和自建商城的網絡平台，通過完善的家居產品體系、高效的系統運營支持和高質量的客戶服務，精心打造出與線下加盟商互利共贏的家紡在線商城，擴大市場佔有率以及培育客戶忠誠度；在未來營銷建設上，本集團將打造全新的營銷模式，堅持與合作商互惠互惠的營銷模式，構建更具競爭力的營銷體系，在產品研發、配套管理、品牌宣傳等方面給予代理商、加盟商更大的支持和服務，以提高單店經營業績和銷售能力，同時利用好互聯網、微信、手機APP等新型營銷平台，打造新的營銷利器，充分發揮線上線下一體聯動共贏的新模式，加速線上線下渠道拓展，幫助經銷商快速提高區域會員數量。

Interim dividend

The Board does not recommend the payment of any interim dividend for the six months ended 30 June, 2014.

中期股息

董事會不建議派付截至二零一四年六月三十日止六個月之任何中期股息。

CORPORATE GOVERNANCE AND OTHER INFORMATION**企業管治及其他資料****Purchase, Sale or Redemption of the Company's Listed Securities**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period under review.

購買、出售或贖回本公司上市證券

於回顧期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as the code of conduct governing directors' securities transactions. The Company confirms that, having made specific enquiry of all Directors, all Directors have complied with the required standards of dealing as set out in the Model Code throughout the year for the six months ended 30 June, 2014 and up to the date of this report.

董事進行證券交易之標準守則

本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為其董事進行證券交易之行為守則。本公司確認，經向所有董事作出個別查詢後，所有董事於截至二零一四年六月三十日止六個月內及截至本報告日期，一直遵守標準守則所載之交易規定標準。

Corporate Governance

The Company has complied with the code provisions set out in the Corporate Governance Code (the "Code"), as stated in Appendix 14 to the Listing Rules throughout the six months ended 30 June, 2014.

企業管治

本公司已於截至二零一四年六月三十日止六個月一直遵守上市規則附錄十四所載之企業管治守則（「守則」）之守則條文。

Audit committee

The audit committee of the Company (“AC”) was established in compliance with the Rule 3.21 and 3.22 of the Listing Rules and with written terms of reference in compliance with the Code. The AC consists of three members, namely Mr. Li Yuchun, Mr. Chan Kin Sang and Mr. Dai Shunlin, all of which are independent non-executive Directors. Mr. Li Yuchun is the chairman of the AC, who has appropriate professional qualifications and experience in accounting matters. The AC has reviewed with the management of the Company the accounting principles and practice adopted by the Group and has discussed and supervised the financial reporting process and the internal control procedures of the Company and the unaudited interim financial statements for the six months ended 30 June, 2014.

審核委員會

本公司審核委員會（「審核委員會」）乃遵照上市規則第3.21及3.22條成立，並遵從守則制訂書面職權範圍。審核委員會由三名成員，即李玉春先生、陳健生先生及戴順林先生（均為獨立非執行董事）組成。李玉春先生為審核委員會主席，彼具有會計方面之適合專業資格及經驗。審核委員會已會同本公司管理層審閱本集團所採納之會計原則及常規，並討論及監察本公司之財務申報及內部監控程序，以及截至二零一四年六月三十日止六個月之未經審核中期財務報表。

Directors' Interests and Short Positions in the Company's Securities

As at 30 June, 2014, the interests and short positions of the directors of the Company in the shares, underlying shares or debentures of the Company or any associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register maintained by the Company as required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long Position

(a) Long position – Interests in the Company

Name of director	Capacity	Number of ordinary shares	Percentage of the issued share capital of the Company
董事姓名	身份	普通股數目	佔本公司已發行股本百分比
Mr. Liu Qingping ⁽¹⁾	Interest in a controlled corporation	555,000,000	55.50%
劉慶平先生 ⁽¹⁾	於受控制法團之權益		
	Beneficial owner	16,234,000	1.62%
	實益擁有人		

⁽¹⁾ Mr. Liu Qingping is deemed to be indirectly interested in 555,000,000 Shares, ie. 55.5% of the issued capital of the Company through his direct interests in Harvest Sun Enterprises Limited and Fu Sun Development Limited under the SFO.

董事於本公司證券之權益及淡倉

於二零一四年六月三十日，本公司董事於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有記錄於本公司根據證券及期貨條例第352條須予備存之登記冊，或根據標準守則知會本公司及聯交所之權益及淡倉如下：

好倉

(a) 好倉－於本公司之權益

Name of director	Capacity	Number of ordinary shares	Percentage of the issued share capital of the Company
董事姓名	身份	普通股數目	佔本公司已發行股本百分比
Mr. Liu Qingping ⁽¹⁾	Interest in a controlled corporation	555,000,000	55.50%
劉慶平先生 ⁽¹⁾	於受控制法團之權益		
	Beneficial owner	16,234,000	1.62%
	實益擁有人		

⁽¹⁾ 根據證券及期貨條例，劉慶平先生被視作透過其於富盈企業有限公司及富生發展有限公司之直接權益間接於555,000,000股股份（即本公司已發行股本55.5%）中擁有權益。

(b) Long position – Interests in a associated corporation

(b) 好倉 – 於相聯法團之權益

Name of director	Associated corporation	Type of interests	Approximate percentage of holding of the total share capital of the associated corporation 持有相聯法團全部股本概約百分比
董事姓名	相聯法團	權益類別	
Mr. Li Dengxiang 李登祥先生	Harvest Sun Enterprises Limited 富盈企業有限公司	Beneficial owner 實益擁有人	14.60%
Ms. Qi Tongli 冼同麗女士	Harvest Sun Enterprises Limited 富盈企業有限公司	Beneficial owner 實益擁有人	13.20%
Mr. Zou Shengzhong 鄒生忠先生	Harvest Sun Enterprises Limited 富盈企業有限公司	Beneficial owner 實益擁有人	7.50%

Substantial Shareholders

As at 30 June, 2014, the interests or short positions of the following substantial shareholders, other than the directors of the Company, in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

主要股東

於二零一四年六月三十日，以下主要股東（不包括本公司董事）於本公司之股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條須予備存之登記冊之權益或淡倉如下：

Name	Capacity	Number of ordinary shares	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
姓名／名稱	身份	普通股數目	
Harvest Sun Enterprises Limited ⁽¹⁾	Registered and beneficial owner, beneficiary of a trust	555,000,000	55.50%
富盈企業有限公司 ⁽¹⁾	登記及實益擁有人、信託受益人	555,000,000	
Fu Sun Development Limited ⁽²⁾	Registered and beneficial owner	75,000,000	7.50%
富生發展有限公司 ⁽²⁾	登記及實益擁有人	75,000,000	
Mr. Liu Qingping ⁽²⁾	Interest in a controlled corporation and beneficial owner	571,234,000	57.12%
劉慶平先生 ⁽²⁾	於受控制法團之權益及實益擁有人	571,234,000	
Superior Delight Limited ⁽⁴⁾	Registered and beneficial owner	170,768,000	17.08%
佳喜有限公司 ⁽⁴⁾	登記及實益擁有人	170,768,000	
Mr. Huang Quan	Interest in a controlled corporation	170,768,000	17.08%
黃全先生	於受控制法團之權益	170,768,000	

- (1) *Harvest Sun Enterprises Limited is owned as to 48.60% by Mr. Liu Qingping and therefore, Mr. Liu Qingping is deemed to be interested in 480,000,000 Shares held directly by Harvest Sun Enterprises Limited under the SFO.* (1) 富盈企業有限公司由劉慶平先生擁有48.60%之權益，因此，根據證券及期貨條例，劉慶平先生被視作於富盈企業有限公司直接持有之480,000,000股股份中擁有權益。
- (2) *Fu Sun Development Limited is wholly-owned by Mr. Liu Qingping and therefore, Mr. Liu Qingping is deemed to be interested in 75,000,000 Shares held by Fu Sun Development Limited under the SFO.* (2) 富生發展有限公司由劉慶平先生全資擁有，因此，根據證券及期貨條例，劉慶平先生被視作於富生發展有限公司持有之75,000,000股股份中擁有權益。
- (3) *Mr. Liu Qingping is deemed to be indirectly interested in 555,000,000 Shares, ie. 55.50% of the issued capital of the Company, through his direct interests in Harvest Sun Enterprises Limited and Fu Sun Development Limited under the SFO. Mr. Liu Qingping owns 16,234,000 Shares, ie. 1.62% of the issued capital of the Company, on his personal interests.* (3) 根據證券及期貨條例，劉慶平先生被視作透過其於富盈企業有限公司及富生發展有限公司之直接權益間接於555,000,000股股份（即本公司已發行股本55.50%）中擁有權益。劉慶平先生於16,234,000股股份（即本公司已發行股本1.62%）中擁有個人權益。
- (4) *Superior Delight Limited is wholly-owned by Mr. Huang Quan and Mr. Huang Quan is therefore deemed to be interested in 170,768,000 Shares held by Superior Delight Limited under the SFO.* (4) 佳喜有限公司由黃全先生全資擁有，因此，根據證券及期貨條例，黃全先生被視作於佳喜有限公司持有之170,768,000股股份中擁有權益。

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June, 2014

簡明綜合全面收益表

截至二零一四年六月三十日止六個月

		Six months ended 30 June, 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元 (unaudited) (未經審核)	2013 二零一三年 RMB'000 人民幣千元 (unaudited) (未經審核)
		Notes 附註	
Revenue	收益	(3)	665,455
Cost of sales	銷售成本		(597,883)
Gross Profit	毛利		67,572
Other income	其他收入		30,327
Distribution and selling expenses	分銷及銷售開支		(14,630)
Administrative expenses	行政開支		(12,242)
Finance costs	財務成本		(23,667)
Profit before taxation	除稅前溢利		47,370
Income tax expense	所得稅開支	(4)	(7,661)
Profit for the period attributable to owners of the Company	本公司擁有人應佔期內溢利	(5)	39,709
Other comprehensive income	其他全面收益		-
			39,709
Total comprehensive income for the period attributable to owners of the Company	本公司擁有人應佔期內全面收益總額		257,070
Basic earnings per share (RMB)	每股基本盈利(人民幣)	(7)	0.040
			0.257

CONDENSED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION

At 30 June, 2014

簡明綜合財務狀況報表

於二零一四年六月三十日

		At 30 June, 2014 於 二零一四年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December, 2013 於 二零一三年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	401,084	425,228
Prepaid lease payments	預付租賃款項	6,837	6,925
Deposit paid for acquisition of land use rights and buildings	購入土地使用權及 樓宇之已付按金	61,920	61,920
Trademark	商標	6,934	6,934
Deferred tax asset	遞延稅項資產	10,029	10,029
Available-for-sale investment	可供出售投資	6,614	6,614
Lease deposit	租賃按金	27,000	27,000
Deferred expenses	遞延支出	8,615	8,615
		529,033	553,265
CURRENT ASSETS	流動資產		
Inventories	存貨 (8)	80,863	71,751
Trade and other receivables and prepayments	應收賬款及其他應收 款項以及預付款項 (9)	1,101,194	1,465,179
Prepaid lease payments	預付租賃款項	178	178
Pledged bank deposits	已抵押銀行存款	-	12,400
Bank balances and cash	銀行結餘及現金	1,911,692	1,443,090
		3,093,927	2,992,598
CURRENT LIABILITIES	流動負債		
Trade and other payables and accruals	應付賬款及其他應付 款項以及應計費用 (10)	633,817	354,163
Tax payable	應付稅項	52,195	46,925
Amount due to a shareholder	應付一名股東款項	27,200	27,200
Bank borrowings	銀行借貸	198,263	428,100
Obligations under finance lease	融資租賃承擔	50,000	40,000
		961,475	896,388

**CONDENSED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION (Continued)**

At 30 June, 2014

簡明綜合財務狀況報表 (續)

於二零一四年六月三十日

		At 30 June, 2014 於 二零一四年 六月三十日 <i>RMB'000</i> 人民幣千元 (unaudited) (未經審核)	At 31 December, 2013 於 二零一三年 十二月三十一日 <i>RMB'000</i> 人民幣千元 (audited) (經審核)
NET CURRENT ASSETS	流動資產淨值	<u>2,132,452</u>	<u>2,096,210</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	<u>2,661,485</u>	<u>2,649,475</u>
NON-CURRENT LIABILITY	非流動負債		
Obligations under finance lease	融資租賃承擔	240,000	270,000
Deferred tax liability	遞延稅項負債	<u>57,419</u>	<u>55,118</u>
		<u>297,419</u>	<u>325,118</u>
NET ASSETS	資產淨值	<u>2,364,066</u>	<u>2,324,357</u>
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	88,000	88,000
Reserves	儲備	<u>2,276,066</u>	<u>2,236,357</u>
TOTAL EQUITY	權益總額	<u>2,364,066</u>	<u>2,324,357</u>

Notes
附註

CONDENSED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY

For the six months ended 30 June, 2014

簡明綜合權益變動表

截至二零一四年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Merger reserve	Special reserve	Contributions from shareholders	Share-based payment reserve	PRC general reserve	Investment revaluation reserve	Capital reserve	Retained profits	Total
		股本	股份溢價	合併儲備	特別儲備	股東注資	付款儲備	一般儲備	重估儲備	資本儲備	保留溢利	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January, 2013 (audited)	於二零一三年一月一日 (經審核)	88,000	342,054	180,000	977	13,289	17,476	223,014	-	34,763	1,179,302	2,078,875
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	-	257,070	257,070
Fair value loss on an available-for-sale investment	一項可供出售投資之公平值虧損	-	-	-	-	-	-	-	-	-	-	-
Impairment loss on an available-for-sale investment	一項可供出售投資之減值虧損	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	-	-	-	-	-	257,070	257,070
Transfer	轉撥	-	-	-	-	-	-	-	-	-	-	-
Dividend recognised as distribution	確認為分派之股息	-	-	-	-	-	-	-	-	-	(52,000)	(52,000)
At 30 June, 2013 (unaudited)	於二零一三年六月三十日 (未經審核)	88,000	342,054	180,000	977	13,289	17,476	223,014	-	34,763	1,384,372	2,283,945
Profit and total comprehensive income for the period	期內溢利及全面收益總額	-	-	-	-	-	-	-	-	-	40,412	40,412
Transfer	轉撥	-	-	-	-	-	-	32,329	-	-	(32,329)	-
At 31 December, 2013 (audited)	於二零一三年十二月三十一日 (經審核)	88,000	342,054	180,000	977	13,289	17,476	255,343	-	34,763	1,392,455	2,324,357
Profit and total comprehensive income for the period	期內溢利及全面收益總額	-	-	-	-	-	-	-	-	-	39,709	39,709
At 30 June, 2014 (unaudited)	於二零一四年六月三十日 (未經審核)	88,000	342,054	180,000	977	13,289	17,476	255,343	-	34,763	1,432,164	2,364,066

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June, 2014

簡明綜合現金流量表

截至二零一四年六月三十日止六個月

		Six months ended 30 June, 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元 (unaudited) (未經審核)	2013 二零一三年 RMB'000 人民幣千元 (unaudited) (未經審核)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	經營業務產生/(動用)之 現金淨額	219,799	(242,236)
NET CASH GENERATED FROM INVESTING ACTIVITIES	投資活動產生之現金淨額	522,297	386,773
NET CASH USED IN FINANCING ACTIVITIES	融資活動動用之現金淨額	(273,494)	(27,577)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	468,602	116,960
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	期初之現金及現金等價物	1,443,090	1,205,905
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	期終之現金及現金等價物， 以銀行結餘及現金表示	1,911,692	1,322,865

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

1. GENERAL

The Company is a public limited company incorporated in Cayman Islands.

The addresses of the registered office and the principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and Room 911, 9th floor, Block A, Hunghom Commercial Centre, 39 Ma Tau Wai Road, Hong Kong, respectively.

The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited with effect from 11 June 2010. The immediate and ultimate holding company of the Company was Harvest Sun Enterprises Limited (“Harvest Sun”) from the date of incorporation to 11 June 2010. Harvest Sun, a company incorporated in the British Virgin Islands, became the substantial shareholder of the Company with its shareholding of 48% after 11 June 2010.

The principal activities of the Company and its subsidiaries (the “Group”) are production and distribution of cotton yarns and bedding products.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the group entities and the Company.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

1. 一般事項

本公司為一間於開曼群島註冊成立之公眾有限公司。

本公司之註冊辦事處及主要營業地點之地址分別位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands及香港馬頭圍道39號紅磡商業中心A座9樓911室。

本公司股份由二零一零年六月十一日起在香港聯合交易所有限公司上市。由註冊成立日期起至二零一零年六月十一日，本公司之直接及最終控股公司為富盈企業有限公司（「富盈」）。富盈為一間於英屬處女群島註冊成立之公司，於二零一零年六月十一日後成為本公司之主要股東，持有本公司48%股權。

本公司及其附屬公司（「本集團」）之主要業務為棉紗及床品製造及分銷。

簡明綜合財務報表以人民幣（「人民幣」）呈列，人民幣亦為集團實體及本公司之功能貨幣。

2. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June, 2014 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December, 2013.

In the current period, the Group has applied, for the first time, the new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by HKICPA which are effective for the Group's financial year beginning on 1 January 2014. The adoption of the new and revised HKFRSs had no material effect on the condensed consolidated financial statements of the Group for the current accounting periods.

The Group has not early applied the new and revised HKFRSs relevant to the Group's financial statements, that have been issued but not yet effective in the period covered by these interim financial statements.

2. 重大會計政策

簡明綜合財務報表乃根據歷史成本基準編製，惟若干金融工具按公平值計量則除外。歷史成本一般根據貨品及服務交易代價之公平值計算。

截至二零一四年六月三十日止六個月之簡明綜合財務報表所用之會計政策及計算方法與本集團編製截至二零一三年十二月三十一日止年度之年度財務報表所依循者相同。

於本期間內，本集團首次應用由香港會計師公會頒佈並於本集團由二零一四年一月一日開始之財政年度生效之新訂及經修訂準則、修訂及詮釋（「新訂及經修訂香港財務報告準則」）。採納新訂及經修訂香港財務報告準則不會對本集團於本會計期間之簡明綜合財務報表產生重大影響。

本集團並無提早應用於該等中期財務報表涵蓋期間已頒佈惟尚未生效且與本集團財務報表有關之新訂及經修訂香港財務報告準則。

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have any significant impact on its results of operations and financial position.

3. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segments based on the reports regularly reviewed by the executive directors, who are the chief operating decision makers, for the purpose of allocating resources to segments and assessing their performance as follows:

- manufacture and distribution of cotton yarns, and
- manufacture and distribution of bedding products.

2. 重大會計政策 (續)

本集團現正對該等新訂及經修訂香港財務報告準則在首次應用時之影響進行評估，惟目前尚未能指出該等新訂及經修訂香港財務報告準則會否對其經營業績及財務狀況產生任何重大影響。

3. 收益及分部資料

本集團根據執行董事（即主要營運決策者）定期審閱之報告釐定經營分部，以分配分部資源及評估分部表現如下：

- 製造及分銷棉紗；及
- 製造及分銷床品。

3. REVENUE AND SEGMENT INFORMATION (Continued)

An analysis of the Group's revenue and results by operating and reportable segment is as follows:

3. 收益及分部資料 (續)

本集團按經營及報告分部劃分之收益及業績之分析如下：

		For the six months ended 30 June, 2014 截至二零一四年六月三十日止六個月					
		Manufacture and distribution of cotton yarns 製造及 分銷棉紗 RMB'000 人民幣千元	Manufacture and distribution of bedding products 製造及 分銷床品 RMB'000 人民幣千元	Segment total 分部總計 RMB'000 人民幣千元	Inter- segment elimination 分部間對銷 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Combined 合併 RMB'000 人民幣千元
Revenue from external customers	來自外部客戶之收益	355,191	310,264	665,455	-	-	665,455
Inter-segment sales	分部間銷售	-	-	-	-	-	-
		355,191	310,264	665,455	-	-	665,455
Segment profit	分部溢利	666	52,987	53,653	-	-	53,653
Unallocated income	未分配收入						29,528
Unallocated expenses	未分配開支						(35,811)
Profit before taxation	除稅前溢利						47,370

3. REVENUE AND SEGMENT INFORMATION (Continued)

3. 收益及分部資料 (續)

For the six months ended 30 June, 2013
截至二零一三年六月三十日止六個月

		Manufacture and distribution of cotton yarns 製造及 分銷棉紗 RMB'000 人民幣千元	Manufacture and distribution of bedding products 製造及 分銷床品 RMB'000 人民幣千元	Segment total 分部總計 RMB'000 人民幣千元	Inter- segment elimination 分部間對銷 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Combined 合併 RMB'000 人民幣千元
Revenue from external customers	來自外部客戶之收益	527,160	724,248	1,251,408	-	-	1,251,408
Inter-segment sales	分部間銷售	-	-	-	-	-	-
		<u>527,160</u>	<u>724,248</u>	<u>1,251,408</u>	<u>-</u>	<u>-</u>	<u>1,251,408</u>
Segment profit	分部溢利	66,093	324,374	390,467	-	-	390,467
Unallocated income	未分配收入						4,830
Unallocated expenses	未分配開支						(26,951)
Profit before taxation	除稅前溢利						<u>368,346</u>

Segment result represents the result generated by each segment without the allocation of central administrative costs, interest income, finance costs and impairment loss on an available-for-sale investment. This is the measure reported to the chief operating decision makers for the purpose of resource allocation and assessment of segment performance.

分部業績指各分部於並未分配中央行政成本、利息收入、財務成本及一項可供出售投資之減值虧損前所產生之業績。有關數據乃為向主要營運決策者就分配資源及評估分部表現作出報告之基準。

4. INCOME TAX EXPENSE

4. 所得稅開支

		For the six months ended 30 June, 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元 (unaudited) (未經審核)	2013 二零一三年 RMB'000 人民幣千元 (unaudited) (未經審核)
Tax charge represents:	稅項開支指：		
Current tax:	即期稅項：		
The People's Republic of China ("PRC")	中華人民共和國（「中國」） 企業所得稅	5,303	97,583
Enterprise Income Tax ("EIT")	（「企業所得稅」）		
Hong Kong profit tax	香港利得稅	57	-
		<u>5,360</u>	<u>97,583</u>
Deferred tax:	遞延稅項：		
Provision on withholding tax from undistributed profit from a PRC subsidiary	一間中國附屬公司未分派 溢利之預扣稅撥備	2,301	13,693
		<u>7,661</u>	<u>111,276</u>

PRC EIT is calculated at the rates applicable to the PRC subsidiaries.

中國企業所得稅乃按中國附屬公司適用稅率計算。

5. PROFIT FOR THE PERIOD

5. 期內溢利

For the six months
ended 30 June,
截至六月三十日止六個月

		2014 二零一四年 RMB'000 人民幣千元 (unaudited) (未經審核)	2013 二零一三年 RMB'000 人民幣千元 (unaudited) (未經審核)
Profit for the period has been arrived at after charging/ (crediting):	期內溢利已扣除／(計入) 以下項目：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	24,144	23,063
Release of prepaid lease payments	解除預付租賃款項	89	89
Net exchange loss	匯兌虧損淨額	-	1,236
Interest income	利息收入	(29,797)	(3,808)
Cost of inventories recognised as an expense	確認為開支之存貨成本	597,883	803,045

6. DIVIDENDS/DIVIDEND PAYABLE

The board of directors does not recommend the payment of an interim dividend in respect of the six months ended 30 June, 2014 (for the six months ended 30 June, 2013: RMBNil).

7. BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

6. 股息／應付股息

董事會不建議派付截至二零一四年六月三十日止六個月之中期股息（截至二零一三年六月三十日止六個月：人民幣零元）。

7. 每股基本盈利

本公司擁有人應佔每股基本盈利乃按以下資料計算：

		For the six months ended 30 June, 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元 (unaudited) (未經審核)	2013 二零一三年 RMB'000 人民幣千元 (unaudited) (未經審核)
Profit for the period attributable to owners of the Company	本公司擁有人 應佔期內溢利	39,709	257,070
		'000 千股	'000 千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	就計算每股基本盈利之 普通股股份加權 平均數目	1,000,000	1,000,000

No diluted earnings per share is presented for both periods as there were no potential ordinary shares in issue.

由於並無已發行潛在普通股股份，故並無呈列兩個期間之每股攤薄盈利。

8. INVENTORIES

8. 存貨

		At 30 June, 2014 於 二零一四年 六月三十日 <i>RMB'000</i> 人民幣千元 (unaudited) (未經審核)	At 31 December, 2013 於 二零一三年 十二月三十一日 <i>RMB'000</i> 人民幣千元 (audited) (經審核)
At cost	按成本		
Raw materials	原材料	12,103	14,564
Work-in-progress	在製品	20,753	24,110
Finished goods	製成品	48,006	33,077
		80,862	71,751

9. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

Apart from the cash sales from its retail business, the Group generally allows a credit period that ranges from 30 to 180 days to its trade customers. The aged analysis of the Group's trade receivables (net of allowance for doubtful debts) based on the invoice date at the end of the reporting period is as follows:

Trade receivables:	應收賬款：
0-30 days	0至30日
31-60 days	31至60日
61-90 days	61至90日
91-180 days	91至180日
Over 180 days	超過180日

Other receivables at the end of the reporting period mainly represent prepayments to suppliers and prepared operating expenses.

9. 應收賬款及其他應收款項以及預付款項

除來自其零售業務之現金銷售外，本集團一般給予其貿易客戶30至180日之信貸期。本集團應收賬款（扣除呆賬撥備）於報告期間結算日基於發票日期之賬齡分析如下：

At 30 June, 2014 於 二零一四年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December, 2013 於 二零一三年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
76,361	87,425
81,198	111,184
80,435	77,161
111,477	75,753
416,686	68,387
766,157	419,910

於報告期間結算日，其他應收款項主要指付予供應商之預付款項及預付經營開支。

10. TRADE AND OTHER PAYABLES AND ACCRUALS

The aged analysis of the Group's trade and bills payables based on the invoice date at the end of each reporting period is as follows:

0-30 days	0至30日
31-60 days	31至60日
61-90 days	61至90日
91-180 days	91至180日
Over 180 days	超過180日

Other payables mainly represent receipts in advance from customers and other tax payables.

10. 應付賬款及其他應付款項以及應計費用

本集團應付賬款及票據於各報告期間結算日基於發票日期之賬齡分析如下：

At 30 June, 2014 於 二零一四年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December, 2013 於 二零一三年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
248,438	33,788
5,190	741
1,836	283
5,426	659
23,686	19,022
284,576	54,493

其他應付款項主要指預收客戶款項及其他應付稅項。

